Attached is the first quarter 1997 workplan. Allocations will be available for viewing on October 7 via the BPE System. Our key objectives for the first quarter of 1997 and throughout 1997 are to effectively execute our:

- Pack/Carton Promotions
- Wholesale and Retail Partners Programs
- Pricing Programs
 - Full-Price Price Gap Management
 - Savings Ceiling Strategy
 - SALEM Matching Strategy

IMPORTANT: To ensure we meet our quarterly volume objectives for 1997, it is critical we effectively execute our promotions within the designated drive periods. All promotions (premium and BSGSF) will be made available for arrival at direct accounts four weeks prior to DTS. Where a four week lead time is necessary to ensure timely execution, it is the responsibility of those calling on the direct account to ensure our promotions are ordered and received on a timely basis.

A first quarter brochure illustrating promotion packing instructions for our Wholesale Partners will be mailed to each ROU the week of October 21 based upon your requested allocations.

All workplan materials should be treated as confidential.

Program Contacts:

Full-Price - Dick Luongo, extension #6110

Steven O'Leary, extension #3466

Savings - Sharon Reid, extension #2584

R. J. REYNOLDS TOBACCO COMPANY

Attachments